

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
PHILCOMSAT HOLDINGS CORPORATION**

Held on 21 November 2016

At the Dasmariñas Room, Makati Sports Club,
Street, Salcedo Village, Makati City

PRESENT:

(Please refer to Annex "A")

I. CALL TO ORDER

The Chairman, Mr. Ramon P. Jacinto, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Victoria C. de los Reyes, recorded the proceedings.

II. CERTIFICATION OF NOTICE AND QUORUM

Upon inquiry, the Corporate Secretary stated that, in accordance with the provisions of the Securities Regulation Code and the Rules on Disclosure, notice of today's meeting was sent to all stockholders of record at least fifteen (15) business days prior to today's meeting. She submitted, for the record, the Certification issued by Fine Express Services, Inc., the courier services utilized by the Corporation for this purpose. In addition, notice of the meeting disclosed via the online disclosure system of the Philippine Stock Exchange, Inc. She therefore certified that notice was duly sent.

The Corporate Secretary thereupon stated that, based on the attendance record and the proxies on hand, stockholders owning at least 80% of the total issued and outstanding capital stock are present in person, or represented by proxy at today's meeting. She thus certified that a quorum existed for the valid transaction of business at today's meeting.

III. APPROVAL OF MINUTES OF PREVIOUS MEETING

The Chairman announced that the next item in the Agenda is the approval of the Minutes of the Annual Stockholders' Meeting held on 9 November 2015. He said that copies of the said Minutes were made available at the registration desk for stockholders wishing to inspect the same.

A motion was made that the reading of the minutes be dispensed with and that the said minutes, as appearing in the Minutes Book of the Corporation be approved.

There being no comment, upon motion duly made and seconded, the following resolution was approved:

RESOLVED, That the Minutes of the Annual Stockholders' Meeting held on 9 November 2015 as appearing in the Minutes Book of the Corporation be approved."

IV. MANAGEMENT REPORT

The Chairman thereupon rendered the Management Report.

He was pleased to report that the Corporation had a productive 2015 and 2016 as Management focused on increasing share value. He explained that the Corporation was successful in the case for collection that it filed against Ansear Realty and Development Corporation and Antonio Araneta which owned the Corporation an unsecured loan of P125 million. After many years in litigation that included securing an attachment order over the properties of Ansear and Araneta, the latter decided to enter into a compromise agreement with the Corporation that will net P750 million for the Corporation as payment for the loan and interest, payable in installments.

As for business prospects, the Chairman advised that the Corporation's subsidiary, Philcomsat Management Enterprises, Inc. ("PMEI"), bought Professional Stock Transfer, Inc., which services the Corporation's stock transfer requirements, along with two-dozen other corporate clients. PMEI also entered into joint venture agreements with the Corporation and other members of the Philcomsat Group of Companies and successfully bid for the installation of a VSat telecommunication system and service for the Armed Forces of the Philippines in Pag-Asa Island in the Spratleys. This project is still ongoing and provides a communication, internet and wireless link between the AFP personnel stationed in Pag-Asa Island and the AFP general HQ.

In 2015, the SEC issued an order lifting the suspension of registration of the Corporation's securities. However, the SEC asked the Corporation to submit a registration statement for the 60 million listed shares that used to be Liberty Mines shares. Management is working on the submission of the said registration statement.

With the payment by Ansear and Araneta of the loan, it is expected that the negative retained earnings of the Corporation will finally be wiped out and that Management can now look into the possibility of declaring dividends.

The Chairman thanked the stockholders for their trust and confidence and assured them that Management will continue to find ways to enhance and develop businesses and increase shareholder value.

He then called upon the Treasurer, Ms. Erlinda Bildner to summarize the financial highlights for 2015 and the first 3 quarters of 2016.

The Treasurer reported that in the year 2015, the Corporation recorded revenue of P29.9 million and P207.3 million in the first semester of 2016. She said that the key accomplishment as explained by the Chairman was the compromise agreement with Ansear and Araneta.

The total assets now stand at P920 at year end-2015 and P1,151 as of the first semester of 2016. Currently, shareholders' equity is at P1,128 from P909 million at the end of 2014.

The Chairman thereupon opened the floor to questions about the Management Report and the Financial Report.

There being no other comment, upon motion duly made and seconded, the Annual Report, together with the Audited Financial Statements for the fiscal year ending December 31, 2015 were noted and approved.

V. APPROVAL, CONFIRMATION AND RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND MANAGEMENT

The Chairman announced that the next item in the agenda is the approval, confirmation and ratification of the acts of the Board of Directors, Executive Committee and Management since the 2015 Annual Stockholders' Meeting as reflected in the minutes. A list of the acts is contained in the Information Statement that was distributed to the stockholders at least 15 business days prior to the meeting.

A motion was made for the approval, confirmation and ratification of the acts of the Board of Directors, Executive Committee and Management since the 2015 Annual Stockholders' Meeting as reflected in the minutes.

There being no comment or objection, the following resolution was approved:

“RESOLVED, That all acts, resolutions, proceedings and transactions and proceedings of the Board of Directors, Executive Committee and Management since the 2015 Annual Stockholders' Meeting up to today's meeting, as reflected in the minutes be approved, confirmed and ratified.”

VI. ELECTION OF DIRECTORS

The Chairman announced that the next item in the Agenda is the election of directors. The Secretary announced the nominees for the position of director who have been qualified by the Nominations Committee. They are:

Carlo Carag
Erlinda Bildner
Daniel Gutierrez
Marietta Ilusorio
Ramon Jacinto
Julie Daza
Pablo Lobregat
Jose Ramon Ozamiz
Katrina Ponce-Enrile
Santiago Ranada
Prudencio Somera

Dr. Ozamiz and Ms. Daza are nominees for the position of independent director pursuant to the Manual on Corporate Governance and the Securities Regulation Code.

There being no other nominee, upon motion duly made and seconded, the nominations were closed, and the Corporate Secretary was instructed to cast all votes equally among the nominees and the said nominees were proclaimed as directors of the Corporation to serve as such until the election and qualification of their successors.

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman announced that the next item in the Agenda is the appointment of external auditor. He said that the present external auditor of the Corporation is Reyes Tacandong & Associates and opened the floor for nominations.

The auditing firm of Reyes Tacandong & Associates was thereupon nominated as the Corporation's external auditor and the nomination was closed. There being no other nominees, the auditing firm of Reyes Tacandong & Associates was appointed external auditor of the Corporation.

VIII. ADJOURNMENT

There being no further business to discuss, upon motion duly made and seconded, the meeting was adjourned.

VICTORIA C. DE LOS REYES
Corporate Secretary

ATTEST:

RAMON P. JACINTO
Chairman of the Meeting